

Charity number: 1145084
Company number: 07715471

Human Capability Foundation
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 December 2014

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(A company limited by guarantee)

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Legal and administrative information

Charity number 1145084

Company registration number 07715471

Business address Flat 4
10 Crossfield Road
London
NW3 4NS

Registered office Flat 4
10 Crossfield Road
London
NW3 4NS

Trustees Natasha Pagarani
Davinder Pagarani
Luke Pagarani

Secretary Natasha Pagarani

Auditors VSP Limited
23A Lyttelton Road
Hampstead Garden Suburb
London
N2 0DN

Human Capability Foundation **(A company limited by guarantee)**

Report of the trustees (incorporating the directors' report) for the year ended 31 December 2014

The trustees present their report and the financial statements for the year ended 31 December 2014. The trustees, who are also directors of Human Capability Foundation for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Human Capability Foundation was registered as a charity in December 2011. The three trustees are:

Luke Pagarani

Davinder (Danny) Pagarani

Natasha Pagarani

Crown Oriental Foods Ltd., Giant Exports Services Ltd. and Natco Foods Ltd. are all subsidiaries of T. Choithram & Sons (London) Limited. (TCS London). In 2014, TCS London and the aforementioned subsidiaries each made significant donations to the HCF. Luke Pagarani is Managing Director of Natco Foods Ltd, and Natasha and Danny Pagarani are also involved with the managing of the business. Natco Foods Ltd. is a company based in the UK whose core business is the sourcing, processing and distributing of foodstuffs from around the world to consumers primarily in the UK. Since the HCF's inception, Natco Foods has donated a portion of its profits to the foundation, and it is the intention of TCS London and its other subsidiaries to continue this support, as contributing positively to sustainable human flourishing in societies across the globe is the primary purpose of its existence.

Natasha Pagarani is the foundation's secretary but the three trustees jointly manage the foundation, and meet informally on a weekly basis to discuss progress the individuals have made on researching and dialoguing with organisations.

Objectives and activities

The aim of the Foundation is to foster and enhance the capability of individuals and communities to manifest self-sustaining and rewarding lives for themselves, their communities and future generations.

Related parties

During the year Natco Foods Ltd and T Choithram & Sons (London) Limited made donations of £ 1,021,616 and £175,000, respectively to HCF. Mr Luke Pagarani is a director of Natco Foods Ltd and T Choithram & Sons (London) Limited. Natasha and Danny Pagarani are also involved with the managing of the business. Natco Foods Ltd is a company based in the UK whose core activities are the sourcing, processing and distributing of foodstuffs from around the world to consumers primarily in the UK.

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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2014

Achievements and performance

We made two trips to India in 2014 - one in February and the second in December - where we met with potential grantees, as well as other funders. During our first visit we confirmed that we would engage Pramada Menon as a consultant. Pramada has been at the forefront of India's LGBT and sexual rights movement for many years, has co-founded ground-breaking NGOs and is now a member of advisory boards for several organisations. She consequently organised our December trip, arranging meetings with organisations outside our existing contacts, and in Bangalore, a new region for the HCF.

In 2014, we continued our support of Green & Black Cross, an independent project set up to offer solidarity and support to autonomous struggles within the UK. We provided core funding to TARSHI (Talking About Reproductive and Sexual Health Issues), a Delhi-based NGO who work towards expanding sexual and reproductive choices in people's lives in an effort to enable them to enjoy lives of dignity, freedom from fear, infection and reproductive and sexual health problems. We also commenced project funding to a Kolkata-based LBT NGO who are starting interventions in rural West Bengal and the north-eastern states of India, with the intention of creating platforms of communication and sharing of knowledge between more experienced and nascent groups. This project will finish in 2015.

The HCF has not been involved in general fundraising activities but is focusing all available resources on finding the best means to achieve its charitable objectives.

Financial review

Total grants in 2014 approved by the Foundation were £38,000, including a final instalment to be paid to GBC in January 2015.

The following donations were received during the year:

Natco Foods Limited - £1,021,616

Giant Foods Services Limited - £415,000

T. Choithram & Sons (London) Limited - £175,000

Crown Oriental Foods Limited - £5,000

Statement as to disclosure of information to auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2014

Statement of trustees' responsibilities

The trustees (who are also directors of Human Capability Foundation for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

VSP Limited were appointed auditors to the charitable company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board

Natasha Pagarani
Secretary

Human Capability Foundation
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Independent auditor's report to the trustees of Human Capability Foundation

We have audited the financial statements of Human Capability Foundation for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charity's trustees, as a body, in accordance with Section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The trustees' (who are also directors for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

The trustees have elected for the financial statements not to be audited in accordance with the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006, and whether the information given in the Trustees' Annual Report is not consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Annual Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 2006.

.....
Jayshree Pankaj Patel
For and on behalf of VSP Limited
Chartered Accountants and
Registered Auditors

23A Lyttelton Road
Hampstead Garden Suburb
London
N2 0DN

Human Capability Foundation
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Statement of financial activities

For the year ended 31 December 2014

	Unrestricted funds	2014 Total	2013 Total
Notes	£	£	£
Incoming resources			
Incoming resources from generating funds:			
Voluntary income	1,616,616	1,616,616	560,000
Total incoming resources	<u>1,616,616</u>	<u>1,616,616</u>	<u>560,000</u>
Resources expended			
Donation	38,342	38,342	14,209
Accountancy fees	900	900	900
Auditors' remuneration	3,000	3,000	2,460
Legal and professional fees	2,400	2,400	710
Other office expenses	74	74	-
Bank charges	558	558	65
Total resources expended	<u>45,274</u>	<u>45,274</u>	<u>18,344</u>
Total funds brought forward	1,860,674	1,860,674	1,319,017
Total funds carried forward	<u>3,432,016</u>	<u>3,432,016</u>	<u>1,860,673</u>

The notes on pages 10 to 12 form an integral part of these financial statements.

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Income and expenditure account

For the year ended 31 December 2014

	Notes	2014 £	2013 £
Income		1,616,616	560,000
Operating expenditure		(44,716)	(18,279)
Operating surplus		<u>1,571,900</u>	<u>541,721</u>
Interest payable and similar charges		(558)	(65)
Retained surplus for the financial year		<u><u>1,571,342</u></u>	<u><u>541,656</u></u>

The notes on pages 10 to 12 form an integral part of these financial statements.

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Balance sheet
as at 31 December 2014

	Notes	£	2014 £	£	2013 £
Current assets					
Cash at bank and in hand		3,435,916		1,864,033	
		<u>3,435,916</u>		<u>1,864,033</u>	
Creditors: amounts falling due within one year					
	5	(3,900)		(3,360)	
		<u>(3,900)</u>		<u>(3,360)</u>	
Net current assets			<u>3,432,016</u>		<u>1,860,673</u>
Net assets			<u>3,432,016</u>		<u>1,860,673</u>
Funds					
	6		<u>3,432,016</u>		<u>1,860,673</u>
Unrestricted income funds			<u>3,432,016</u>		<u>1,860,673</u>
Total funds			<u>3,432,016</u>		<u>1,860,673</u>

The financial statements were approved by the board on 7 August 2015 and signed on its behalf by

Natasha Pagarani
Director

Davinder Pagarani
Director

The notes on pages 10 to 12 form an integral part of these financial statements.

Human Capability Foundation
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Notes to financial statements
for the year ended 31 December 2014

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

1.3. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

2. Net incoming resources for the year

	2014	2013
	£	£
Net incoming resources is stated after charging:		
Auditors' remuneration	3,000	2,460

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Notes to financial statements
for the year ended 31 December 2014

3. Employees

Employment costs

No salaries or wages have been paid to employees, including the trustees, during the year.

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

2014	2013
Number	Number
3	3
<u>3</u>	<u>3</u>

4. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

5. Creditors: amounts falling due within one year

	2014	2013
	£	£
Accruals and deferred income	3,900	3,360
	<u>3,900</u>	<u>3,360</u>

6. Analysis of net assets between funds

	Unrestricted funds	Total funds
	£	£
Fund balances at 31 December 2014 as represented by:		
Current assets	3,432,016	3,432,016
	<u>3,432,016</u>	<u>3,432,016</u>

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Notes to financial statements
for the year ended 31 December 2014

7. Unrestricted funds

	At	Incoming	At
	01.01.2014	resources	31.12.2014
	£	£	£
Donations	<u>1,860,674</u>	<u>1,571,342</u>	<u>3,432,016</u>

Purposes of unrestricted funds

To promote such purposes as are exclusively charitable in accordance with the laws of England and Wales as trustees may from time to time determine.

8. Related party transactions

The company received donations from Natco Foods Limited and T Choithram & Sons (London) Limited, companies in which Mr Luke Pagarani is a director.

9. Company limited by guarantee

Human Capability Foundation is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.